Shanghai Haohai Biological Technology Co., Ltd.*
上海昊海生物科技股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 6826)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

HIGHLIGHTS OF INTERIM RESULTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

- During the Reporting Period, the Group recorded a revenue of approximately RMB1,165.84 million (the corresponding period in 2025: approximately RMB1,292.64 million) in total, representing a decrease of approximately RMB126.80 million, or approximately 9.81%, as compared to the corresponding period in 2025.

- During the Reporting Period, the Group's R&D expenses amounted to approximately RMB95.39 million, representing a decrease of approximately RMB3.01 million, or approximately 3.06%, as compared to the corresponding period in 2025. The R&D expenses of the Group accounted for 8.18% (corresponding period in 2025: 7.61%) of its revenue.

- During the Reporting Period, the Group's net profit attributable to shareholders of the Company and net profit attributable to shareholders of the Company after deducting non-recurring profit or loss was RMB112.63 million and RMB82.06 million respectively, representing decreases of 46.64% and 59.82% as compared to the corresponding period of the previous year, respectively.

- The Board has declared an interim dividend of RMB0.25 (inclusive of tax) per share for the six months ended 30 June 2026 (the corresponding period in 2025: RMB0.40).

INTERIM RESULT (UNAUDITED) FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

The board of directors (the "**Board**") of Shanghai Haohai Biological Technology Co., Ltd.* (the "**Company**") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (the "**Group**", "**we**", "**our**" or "**us**") for the six-month period ended 30 June 2026 (the "**Reporting Period**"), together with the comparative figures for the corresponding period in 2025.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
		RMB'000	*RMB'000*
	Notes	***(Unaudited)***	*(Unaudited)*
REVENUE	*4*	**1,165,842**	1,292,636
Cost of sales		**(406,254)**	(386,361)
Gross profit		**759,588**	906,275
Other income and gains, net	*4*	**66,967**	53,710
Selling and distribution expenses		**(365,036)**	(392,384)
Administrative expenses		**(200,070)**	(206,188)
Reversal of impairment losses/(impairment losses) on financial assets, net		**75**	(2,166)
Research and development costs		**(95,389)**	(98,401)
Other expenses		**(28,353)**	(19,455)
Finance costs		**(4,871)**	(5,699)
Share of profits and losses of:			
an associate		**(328)**	(62)
PROFIT BEFORE TAX	*5*	**132,583**	235,630
Income tax expense	*6*	**(22,063)**	(33,965)
PROFIT FOR THE PERIOD		**110,520**	201,665
Attributable to:			
Owners of the parent		**112,627**	211,065
Non-controlling interests		**(2,107)**	(9,400)
		110,520	201,665
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)			
– For profit for the period	*8*	**0.49**	0.91

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
PROFIT FOR THE PERIOD	**110,520**	201,665
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(40,700)**	40,669
Net other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods	**(40,700)**	40,669
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Changes in fair value	**(41,797)**	10,620
Income tax effect	**4,362**	(1,141)
	(37,435)	9,479
Net other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods	**(37,435)**	9,479
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD, NET OF TAX	**(78,135)**	50,148
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**32,385**	251,813
Attributable to:		
Owners of the parent	**41,789**	252,078
Non-controlling interests	**(9,404)**	(265)
	32,385	251,813

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at 30 June 2026

	Notes	**30 June 2026** ***RMB'000*** ***(Unaudited)***	31 December 2025 *RMB'000* *(Audited)*
NON-CURRENT ASSETS			
Property, plant and equipment		**1,799,175**	1,738,876
Right-of-use assets		**164,103**	185,090
Other intangible assets		**364,862**	403,467
Goodwill		**268,347**	271,095
Investment in an associate		**4,131**	4,659
Equity investments designated at fair value through other comprehensive income		**470,031**	496,247
Deferred tax assets		**71,242**	72,254
Other non-current assets		**72,420**	85,562
Total non-current assets		**3,214,311**	3,257,250
CURRENT ASSETS			
Inventories		**522,346**	522,875
Trade and bills receivables	*9*	**273,705**	275,453
Prepayments, other receivables and other assets		**153,703**	141,607
Financial assets at fair value through profit or loss		**74,366**	76,109
Pledged deposits		**714**	795
Cash and bank balances		**2,319,714**	2,445,974
Total current assets		**3,344,548**	3,462,813
CURRENT LIABILITIES			
Trade payables	*10*	**45,090**	68,145
Other payables and accruals		**478,731**	497,797
Interest-bearing bank and other borrowings	*11*	**425,294**	334,592
Tax payable		**8,790**	14,137
Total current liabilities		**957,905**	914,671

	Notes	**30 June 2026** ***RMB'000*** ***(Unaudited)***	31 December 2025 *RMB'000* *(Audited)*
NET CURRENT ASSETS		**2,386,643**	2,548,142
TOTAL ASSETS LESS CURRENT LIABILITIES		**5,600,954**	5,805,392
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	*11*	**17,930**	63,906
Deferred tax liabilities		**111,877**	121,960
Deferred income		**12,574**	14,442
Provision		**526**	581
Total non-current liabilities		**142,907**	200,889
NET ASSETS		**5,458,047**	5,604,503
EQUITY			
Equity attributable to ordinary equity holders of the parent			
Share capital	*12*	**228,832**	230,562
Treasury shares	*12*	**(296,777)**	(310,856)
Reserves		**5,370,978**	5,502,075
		5,303,033	5,421,781
Non-controlling interests		**155,014**	182,722
Total equity		**5,458,047**	5,604,503

1. CORPORATE AND GROUP INFORMATION

Shanghai Haohai Biological Technology Co., Ltd. (the "**Company**") was established as a limited liability company on 24 January 2007 in the People's Republic of China (the "**PRC**"), and the Company was transformed into a joint stock company with limited liability on 2 August 2010. The registered office of the Company is located at No. 5 Tongjing Road, Songjiang Industrial Zone, Shanghai, PRC. The Company issued 40,000,000 H shares and 45,300 H shares on 30 April 2015 and 28 May 2015, respectively. The H shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**HKSE**") since 30 April 2015. The Company issued 17,800,000 A shares on 30 October 2019 ("**A Share Offering**"). The A shares of the Company have been listed on the Sci-tech Innovation Board of the Shanghai Stock Exchange (the "**SSE**") since 30 October 2019. The total number of issued shares of the Company after the A Share Offering was 177,845,300 shares (comprising 40,045,300 H shares and 137,800,000 A shares).

As of 30 June 2026, the Company had repurchased and cancelled its own shares as follows:

Repurchase of H shares

During the period from March 2020 to December 2025, the Company repurchased an aggregate of 15,955,700 H shares, among which, 15,375,000 H shares have been cancelled as of 31 December 2025. During the period from 1 January 2026 to 30 June 2026 (the "**Reporting Period**"), the Company repurchased 1,148,700 H shares and cancelled an aggregate of 1,729,400 H shares.

Repurchase of A shares

During the period from August 2023 to August 2024, the Company completed its first round of A share repurchase and a total of 2,015,674 A shares were repurchased. The Company then implemented its second round of A share repurchase plan and a total of 1,832,421 A shares were repurchased from November 2024 to December 2025. As of 30 June 2026, none of these repurchased A shares were cancelled.

During the Reporting Period, the Company and its subsidiaries (the "**Group**") was principally engaged in the manufacture and sale of biologicals, medical hyaluronate and ophthalmology products, alongside with research and development of biological engineering. Furthermore, the Group was involved in the production and distribution of pharmaceutical and ophthalmology products, as well as offering related services.

In the opinion of the directors of the Company (the "**Directors**"), the ultimate controlling shareholders of the Company are Mr. Jiang Wei and his spouse, Ms. You Jie.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with International Accounting Standard ("**IAS**") No. 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

2.2 Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information.

Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to IFRS Accounting Standards – Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

The nature and impact of the amended IFRS Accounting Standards are described below:

(a) Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending 31 December 2026.

(b) Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

(c) *Annual Improvements to IFRS Accounting Standards* – Volume 11 set out narrow scope amendments to IFRS 1, IFRS 7 (and the accompanying Guidance on implementing IFRS 7), IFRS 9, IFRS 10 and IAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding IFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group's operating activities are related to a single operating segment, which is the manufacture and sale of biologicals, medical hyaluronate and intraocular lens, research and development of biological engineering and pharmaceutical products and the provision of related services. Therefore, management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resources allocation and performance assessment.

Geographical information

(a) Revenue from external customers

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Chinese mainland	**985,126**	1,075,292
Europe	**65,772**	83,036
United States of America ("**USA**")	**55,291**	59,117
Other regions and countries	**59,653**	75,191
	1,165,842	1,292,636

The revenue information of continuing operations above is based on the locations of the customers.

(b) Non-current assets

	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
Chinese mainland	**2,296,681**	2,278,089
United Kingdom (U.K.)	**283,986**	305,601
USA	**245**	11,478
Other regions and countries	**92,126**	93,581
	2,673,038	2,688,749

The non-current asset information of continuing operations above is based on the locations of the assets and excludes equity investments designated at fair value through other comprehensive income and deferred tax assets.

Information about major customers

No revenue from a single customer contributed to 10% or more of the Group's revenue during the Reporting Period (six months ended 30 June 2025: none).

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Revenue from contracts with customers	**1,165,842**	1,292,636

Disaggregated revenue information for revenue from contracts with customers

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Type of goods sold		
Medical aesthetics and wound care products	**435,991**	573,270
Ophthalmology products	**344,640**	366,148
Orthopedics products	**206,956**	225,948
Anti-adhesion and hemostasis products	**98,690**	109,976
Regeneration and repair products	**61,094**	–
Other products	**18,471**	17,294
Total	**1,165,842**	1,292,636
Timing of revenue recognition		
Goods transferred at a point in time	**1,165,842**	1,292,636

An analysis of other income and gains is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Bank interest income	**23,820**	33,091
Government grants	**34,693**	7,907
Fair value gain of financial assets at fair value through profit or loss	**939**	641
Dividend income from equity investments at fair value through other comprehensive income	**–**	33
Gain on disposal of items of property, plant and equipment	**1,036**	464
Foreign exchange differences, net	**–**	4,663
Others	**6,479**	6,911
	66,967	53,710

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived after charging/(crediting):

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Cost of inventories sold	**406,254**	386,361
Depreciation of property, plant and equipment	**76,134**	57,853
Depreciation of right-of-use assets	**13,137**	13,181
Amortisation of other intangible assets	**24,734**	32,305
Research and development costs	**95,389**	98,401
Lease payments not included in the measurement of lease liabilities	**1,144**	1,038
Employee benefit expenses:		
–Wages and salaries	**292,128**	309,829
–Pension scheme contributions	**33,116**	34,246
(Reversal of impairment)/impairment of financial assets, net	**(75)**	2,166
Impairment of other intangible assets	**5,557**	–
Write-down of inventories to net realisable value	**14,156**	14,730
Foreign exchange differences, net	**4,988**	(4,663)

6. INCOME TAX

The Company is registered in the PRC and is subject to PRC corporate income tax ("**CIT**") on the taxable income as reported in its PRC statutory accounts adjusted in accordance with relevant PRC income tax laws.

The Company, Shanghai Qisheng Biologics Company Limited ("**Shanghai Qisheng**"), Shanghai Jianhua Fine Biological Products Company Limited ("**Shanghai Jianhua**"), Henan Universe Intraocular Lens Research and Manufacture Company Ltd. ("**Henan Universe**") and Qingdao Huayuan Fine Biological Product Co., Ltd. ("**Qingdao Huayuan**") were accredited as high and new-tech enterprises (the "**HNTE**") for the three years from 2023 to 2025 by the relevant authorities. During the Reporting Period, the Company, Shanghai Qisheng, Shanghai Jianhua, Henan Universe and Qingdao Huayuan are in the process of HNTE renewal for the next three years from 2026 to 2028. Based on the experiences and current feedback from the authorities, the Directors believe that the renewal would be successful. Therefore, the preferential income tax rate of 15% was applied during the Reporting Period for the Company, Shanghai Qisheng, Shanghai Jianhua, Henan Universe and Qingdao Huayuan.

Shenzhen New Industries Material of Ophthalmology Co., Ltd. ("**NIMO**"), Hangzhou Aijinglun Technology Co., Ltd. ("**Hangzhou Aijinglun**") and Sanhe Leike Optoelectronics Technology Co., Ltd. ("**Laserconn**") were accredited as HNTE for the three years from 2025 to 2027 by the relevant authorities. Therefore, the preferential income tax rate of 15% was applied during the Reporting Period for NIMO, Hangzhou Aijinglun and Laserconn.

Henan Simedice Biotechnologies Co., Ltd ("**Henan Simedice**") was accredited as HNTE for the three years from 2024 to 2026 by the relevant authorities. Therefore, the preferential income tax rate of 15% was applied during the Reporting Period for Henan Simedice.

The applicable tax rate for the other subsidiaries registered in Chinese mainland was 25% (six months ended 30 June 2025: 25%) during the Reporting Period.

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 June 2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the Reporting Period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

The profits tax for subsidiaries in the USA has been provided at the rate of 21% (six months ended 30 June 2025: 21%) on the estimated assessable profits arising in the USA during the Reporting Period.

The profits tax for subsidiaries in the U.K. has been provided at the rate of 25% (six months ended 30 June 2025: 25%) on the estimated assessable profits arising in the U.K. during the Reporting Period.

The profits tax for subsidiaries in France has been provided at the rate of 25% (six months ended 30 June 2025: 25%) on the estimated assessable profits arising in France during the Reporting Period.

The profits tax for subsidiaries in Israel has been provided at the rate of 23% (six months ended 30 June 2025: 23%) on the estimated assessable profits arising in Israel during the Reporting Period.

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Current		
Charge for the period	**23,710**	40,054
Under provision in prior periods	**1,680**	1,184
Deferred	**(3,327)**	(7,273)
Total tax charge for the period	**22,063**	33,965

7. DIVIDENDS

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Proposed interim – RMB0.25 (six months ended 30 June 2025: RMB0.40) per ordinary share	**56,188**	91,493

On 21 August 2026, the directors proposed to declare the interim dividend of RMB0.25 (inclusive of tax) per ordinary share, amounting to RMB56,187,525 for the six months ended 30 June 2026, based on the total number of shares issued by the Company and deducting total shares which have been repurchased but not cancelled by the Company as of 21 August 2026.

The proposed final dividend of RMB0.60 (inclusive of tax) per ordinary share of the Company for the year ended 31 December 2025 was declared payable by the shareholders of the Company at the annual general meeting of the Company on 29 May 2026.

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the Reporting Period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 230,234,512 (for the six months ended 30 June 2025: 232,526,846) outstanding during the Reporting Period.

The Group had no potentially dilutive ordinary shares outstanding during the Reporting Period (for the six months ended 30 June 2025: nil).

The calculation of basic and diluted earnings per share is based on:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Unaudited)*
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation	**112,627**	211,065
Shares		
Weighted average number of ordinary shares outstanding used in the basic and diluted earnings per share calculation	**230,234,512**	232,526,846

9. TRADE AND BILLS RECEIVABLES

	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
Bills receivable	**7,151**	4,449
Trade receivables	**295,940**	302,792
Impairment	**(29,386)**	(31,788)
	273,705	275,453

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one to twelve months. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade and bills receivables are non-interest-bearing.

An ageing analysis of trade and bills receivables as at the end of the Reporting Period, based on the invoice date and net of loss allowance, is as follows:

	30 June	31 December
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	*(Audited)*
Within 1 year	**262,968**	263,666
1 to 2 years	**8,850**	9,819
2 to 3 years	**1,887**	1,968
	273,705	275,453

10. TRADE PAYABLES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade payables	**45,090**	68,145

An ageing analysis of trade payables as at the end of the Reporting Period, based on the invoice date, is as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 3 months	**42,647**	64,707
3 months to 1 year	**60**	2,816
Over 1 year	**2,383**	622
	45,090	68,145

11. INTEREST-BEARING BANK AND OTHER BORROWINGS

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Current			
Lease liabilities		**17,060**	21,122
Bank loans:			
– Unsecured	*(1)*	**319,794**	235,866
Current portion of long term bank loans:			
– Guaranteed	*(2)*	**358**	1,622
– Unsecured	*(3)*	**88,082**	75,982
		425,294	334,592
Non-Current			
Lease liabilities		**17,930**	30,806
Bank loans:			
– Unsecured	*(3)*	**–**	33,100
		17,930	63,906
		443,224	398,498
Analysed into:			
Bank loans repayable:			
Within one year or on demand		**408,234**	313,470
In the second year		**–**	33,100
		408,234	346,570

	Notes	**30 June 2026** ***RMB'000*** ***(Unaudited)***	31 December 2025 *RMB'000* *(Audited)*
Other borrowings repayable:			
Within one year or on demand		**17,060**	21,122
In the second year		**10,100**	17,162
In the third to fifth years, inclusive		**4,833**	9,374
Beyond five years		**2,997**	4,270
		34,990	51,928
		443,224	398,498

Notes:

(1) The short-term unsecured bank loans represent the loans obtained by the Company, Shanghai Qisheng, Shanghai Jianhua and Shanghai Haoleyuan Biotechnology Co., Ltd. with interest rates ranging from 2.08% to 2.15% per annum during the Reporting Period.

(2) The guaranteed bank and other loans represent the loans obtained by Bioxis guaranteed by the government.

(3) The long-term unsecured bank loans represent the loans obtained by the Company and Haohai Development with interest rates ranging from 1.70% to 1.80% per annum during the Reporting Period.

12. SHARE CAPITAL

	30 June 2026 ***RMB'000*** ***(Unaudited)***	31 December 2025 *RMB'000* *(Audited)*
Issued and fully paid: 228,832,195 (31 December 2025: 230,561,595) ordinary shares of RMB1.00 each	**228,832**	230,562

During the Reporting Period, the Company cancelled an aggregate of 1,729,400 H shares.

Treasury Shares

During the Reporting Period, the Company repurchased 1,148,700 H shares, which accounted for approximately 0.5020% of the Company's total share capital, at a total consideration of approximately HK$25,737,000 (equivalent to RMB22,536,000). These repurchased H shares have been cancelled as of 30 June 2026.

As of 30 June 2026, treasury shares were amounted to RMB296,777,000 (related to 3,848,095 A shares) and as of 31 December 2025, treasury shares were amounted to RMB310,856,000 (comprising 580,700 H shares and 3,848,095 A shares). These treasury shares will be either used for implementing of future shares incentive scheme or to be cancelled.

13. EVENTS AFTER THE REPORTING PERIOD

There was no material subsequent event undertaken by the Group after 30 June 2026.

Operation Overview

In the first half of 2026, the Group forged ahead amid complex economic and industrial changes. The Group focused on the development of four core business sectors of medical aesthetics, ophthalmology, orthopedics, anti-adhesion and hemostasis. While further expanding its existing product lines, the Group also strategically entered the field of regeneration and repair products, which have broad applications covering multiple therapeutic fields including orthopedics, medical aesthetics, wound care, ophthalmology and stomatology, further enriching the product matrix across the Group's core business segments and contributing to the optimization of profit structure and the enhancement of channel synergy efficiency. On such basis, the Group also proactively responded to changes in the external environment and strengthened its operational resilience by continuously deepening product innovation, market expansion and lean management.

During the Reporting Period, due to the impact of various factors including insufficient domestic demand for medical aesthetics, intensifying price competition for products, and the termination of the Group's exclusive distribution business for Brighten Optix's orthokeratology lenses in Chinese mainland, the Group recorded a revenue of RMB1,165.84 million in total, representing a decrease of 9.81% as compared to the corresponding period of the previous year. During the Reporting Period, the breakdown of the Group's revenue from the main business of each product line by therapeutic areas is as follows (by the amount and as a percentage of the total revenue of the Group):

Unit: '000 Currency: RMB

	January to June 2026		January to June 2025		
Product Line	***Amount (unaudited)***	***Percentage (%)***	*Amount (unaudited)*	*Percentage (%)*	Change (%)
Medical aesthetics and wound care products	**435,991**	**37.40**	573,270	44.35	-23.95
Ophthalmology products	**344,640**	**29.56**	366,148	28.33	-5.87
Orthopedics products	**206,956**	**17.75**	225,948	17.48	-8.41
Anti-adhesion and hemostasis products	**98,690**	**8.47**	109,976	8.51	-10.26
Regeneration and repair products	**61,094**	**5.24**	–	–	N/A
Other products	**18,471**	**1.58**	17,294	1.33	6.81
Total	**1,165,842**	**100.00**	1,292,636	100.00	-9.81

During the Reporting Period, the overall gross profit margin of the Group was 65.15%, representing a decrease of 4.96% as compared to 70.11% for the corresponding period of the previous year, primarily due to the decline in both the revenue generated by HA Dermal Filler product line with a high gross profit margin and its percentage of the Group's total revenue.

During the Reporting Period, the Group's net profit attributable to shareholders of the Company and net profit attributable to shareholders of the Company after deducting non-recurring gains or loss were RMB112.63 million and RMB82.06 million respectively, representing decreases of 46.64% and 59.82% as compared to the corresponding period of the previous year, respectively. Such decreases were primarily due to the decrease in gross profit caused by lower sales revenue, particularly revenue from HA Dermal Filler products, coupled with additional depreciation and amortization expenses exceeding RMB21.00 million resulting from the capitalization as fixed assets from construction in process of the medical device workshop and comprehensive supporting facilities under the International Medical R&D and Industrialization Project by Shanghai Haohai Biological Technology in February 2026.

As at the end of the Reporting Period, the total assets of the Group were RMB6,558.86 million, and the net assets of the Group attributable to shareholders of the Company were RMB5,303.03 million, representing decreases of 2.40% and 2.19% as compared to those at the end of 2025, respectively.

Several core R&D projects of the Group achieved critical progress. During the Reporting Period, the Group's R&D expenses were RMB95.39 million, representing a decrease of RMB3.01 million, or 3.06%, as compared to the corresponding period of the previous year, and accounting for 8.18% of the Group's revenue (the corresponding period in 2025: 7.61%).

In terms of approval for product marketing, the Group entered an intensive harvest period marked by multiple milestone achievements. In the field of fundus oculi, a bio-gel product for intraocular fillers was approved for marketing in March 2026, making it an internationally innovative product. In the field of intraocular lens ("**IOL**"), the hydrophilic heparin-coated large-optic aspheric IOL was approved for marketing in February 2026, while the hydrophilic aspheric multifocal IOL and the hydrophobic molded trifocal IOL were approved for marketing in April and June 2026, respectively. Furthermore, China's first hydrophobic molded trifocal toric IOL was approved for marketing in August 2026, filling a longstanding gap in the field of domestic high-end multifocal toric IOLs. The concentrated approvals of the above series of IOL products mark the entry of the Group's self-produced IOLs into the high-end sector, which, together with the Group's existing low-end and mid-to-high-end products, form a robust product portfolio, further consolidating the comprehensive competitiveness of the Group's IOL business in the Chinese market.

In terms of product registration application, products including the hydrophobic molded Extended-depth-of-focus ("**EDOF**") IOL, the hydrophilic EDOF IOL, the aqueous humor permeable Phakic Refractive Lens ("**PRL**"), high oxygen permeable scleral lens products, enhanced HA hydro-dermabrasion injection, the second and third cross-linked sodium hyaluronate gels with lidocaine, medical cross-linked chitosan gel, cross-linked sodium hyaluronate gel for correction of temporal depression, sodium hyaluronate gel for endoscopic submucosal injection, and Cytosial hyaluronic acid produced by the French subsidiary Bioxis, have all entered the registration application stage in China. In terms of clinical trials, clinical trials for multiple key R&D projects, including the new ultra-high oxygen permeable (DK180) orthokeratology lens product, homogeneous precision cross-linked hyaluronic acid skin booster, smart cross-linked collagen solution, hyaluronic acid sodium composite solution for injection, the first injectable calcium hydroxyapatite microsphere product, cross-linked sodium hyaluronate gel for labia majora augmentation, homogeneous cross-linked chitosan intra-articular injection, as well as the long-acting cross-linked sodium hyaluronate injection (Class I innovative drug) and the Class I innovative drug LBM801 (stem cell) intra-articular viscosupplement products, were all progressing smoothly.

The aforementioned R&D projects will lay a solid foundation for the Group's medium-to-long-term business development.

Management Discussion and Analysis by Product Line

Medical Aesthetics and Wound Care Products

In the field of medical aesthetics and wound care, the Group has formed a business matrix covering HA Dermal Filler, genetic-engineering preparations for epidermal repair, radio frequency devices and laser equipment. Through the multi-level business arrangements, the Group was able to meet the comprehensive demand of end customers for medical aesthetics in relation to epidermis, dermis and subcutaneous tissue.

During the Reporting Period, the Group's medical aesthetics and wound care products recorded revenue in aggregate of RMB435.99 million, representing a decrease of RMB137.28 million, or 23.95%, as compared to the corresponding period of the previous year. The breakdown of product revenue by specific product type is as follows:

Unit: '000 Currency: RMB

	January to June 2026		January to June 2025		
Item	***Amount (Unaudited)***	***Percentage (%)***	*Amount (Unaudited)*	*Percentage (%)*	Change *(%)*
HA Dermal Filler	**202,009**	**46.33**	345,822	60.32	-41.59
hEGF	**104,626**	**24.00**	92,030	16.05	13.69
Radio frequency devices and laser equipment	**129,356**	**29.67**	135,418	23.63	-4.48
Total	**435,991**	**100.00**	573,270	100.00	-23.95

From an industry environment perspective, the domestic medical aesthetics market is undergoing profound changes. Currently, China's economic growth faces pressure from the transition between old and new growth drivers, the medical aesthetic market is experiencing a series of challenges such as intensive launch of approved products, slowing down of growth of end-user institutions and increasingly stringent compliance requirements. Meanwhile, China's per capita disposable income continues to rise steadily, the public acceptance of medical aesthetics is constantly improving, China has become the world's second-largest medical aesthetics market. However, from an international comparative perspective, although China's medical aesthetics market has reached a considerable scale, its overall penetration rate remains relatively low. According to research data from KPMG, around 32 out of every 1,000 people in China received medical aesthetics services in 2025, which is significantly lower than 161 in South Korea and 98 in the United States. This indicates that the penetration rate of domestic medical aesthetics is still at a comparatively low level, and there is room for further unleashing of demand in the future. According to "China Medical Aesthetic Industry Outlook 2026" jointly published by Allergan and Deloitte Consulting, from 2023 to 2025, the CAGR of China's medical aesthetics market size was about 10~15%, and is expected to maintain a CAGR of 10% in future, and its market size is expected to exceed RMB600 billion by 2030.

In terms of treatment categories, light medical aesthetic treatments remain the mainstream choice, showing a pattern driven jointly by injectable materials and photoelectric technologies. Research reports from Dongguan Securities show that in China's medical aesthetic injection-material market, hyaluronic acid accounts for 36% of the market share. The industry features a landscape of "hyaluronic acid taking the lead, botulinum toxin maintaining steady performance, and collagen and regenerative materials growing with great potential". This reflects the market's preference for mature and easy-to-use products, while leaving room for the development of emerging materials. Meanwhile, photoelectric procedures represented by radio-frequency and laser technologies are gaining higher penetration among young consumers and high-repeat-purchase groups, driving the medical aesthetic market toward multi-functionality and professionalization.

The Group's HA Dermal Filler products portfolio has been widely recognized in the market and has become a leading brand of domestic HA Dermal Filler products for injections. Leveraging its competitive R&D efforts in biomedical materials, manufacturing and marketing platforms, the Group has independently developed and mastered the cross-linking processes such as monophase cross-linking, low-temperature secondary cross-linking, linear non-particle cross-linking, and organic cross-linking, together with the comprehensive advantages in processes and techniques and quality control for HA Dermal Filler products, we have developed the characteristics of differentiated positioning and complementary development in terms of product features and efficacy.

- The first-generation HA Dermal Filler "Matrifill" is the first mono-phase sodium hyaluronate gel for injection approved by the National Medical Products Administration of the PRC ("**NMPA**"). It is mainly positioned as a popular entry-level HA.

- The second-generation HA Dermal Filler "Janlane" is mainly positioned at the mid-to-high end and mainly features the dynamic filling function. In addition, on top of the original indication for nasolabial fold injections, "Janlane" has also expanded its indications to include lip augmentation, further expanding its clinical application scenarios.

- The third-generation HA Dermal Filler "Hyalumatrix" produced by the Group won the market's recognition for its high-end HA positioning due to its non-particle and high cohesion features, providing the "precise embellishment" function, making it less susceptible to deformation and displacement after injection and delivering a natural and long-lasting effect. The clinical trial of rectifying indications for temporal depression for "Hyalumatrix"is also progressing smoothly.

- The fourth-generation HA Dermal Filler product "Hyalumatrix MoonWhite" has better long-term safety, longer-lasting characteristics and stimulation of collagen hyperplasia. "Hyalumatrix MoonWhite" continued the brand DNA of "Hyalumatrix" series, and together with "Hyalumatrix" and "Hyalumatrix YUN", will form the Group's high-end HA Dermal Filler product series.

- The Group's first cross-linked HA Dermal Filler with lidocaine, which was newly developed based on the four generations of HA Dermal Filler products mentioned above, obtained approval in December 2025 and was successfully launched into the market in April 2026.

In terms of marketing, the Group provides multidimensional and all-round services to medical institutions, doctors and consumers, conducts client-side education through new media channels and builds personal brand (IP) for doctors, continuously launches rich comprehensive offline solutions for facial rejuvenation through a diversified product matrix, thus leading the trend of combined application of HA Dermal Filler in the domestic minimally invasive injection aesthetic market in the PRC, and continuously strengthens the stickiness among brands, institutions and consumers to drive the expansion of brand influence.

During the Reporting Period, the Group's HA Dermal Filler products were significantly impacted by a number of factors, including persistent weakness in domestic consumer demand and intensifying market price competition arising from the continued issuance of HA Dermal Filler product registration certificates. Therefore, the Group recorded a sales revenue of approximately RMB202.01 million, representing a decrease of RMB143.81 million, or 41.59%, as compared to the corresponding period of the previous year. Amidst the severe market downturn, the Group remained committed to its marketing strategy of solidifying its leading academic position in the industry through the high-end "Hyalumatrix" series products, i.e. "Hyalumatrix", "Hyalumatrix YUN" and "Hyalumatrix MoonWhite", with a view to enhancing the customer stickiness to HA Dermal Filler products of the Group and stabilizing its market share.

During the Reporting Period, the Group's hEGF products "Healin" achieved revenue of RMB104.63 million, representing an increase of RMB12.60 million, or 13.69%, as compared to the corresponding period of the previous year. In recent years, by strengthening the academic promotion of this product by the Group, the awareness of product efficacy has been continuously strengthened, and the application of the product has been gradually extended from traditional departments such as burns and dermatology to pediatrics, oncology, stomatology, general surgery, obstetrics and gynecology, endocrinology, gastroenterology and other departments. "Healin" is the only epidermal growth factor product in China that has exactly the same quantity, sequence and spatial structure of amino acids as human natural epidermal growth factor and the first registered hEGF product for external use in the world. According to the research reports of Guangzhou Biaodian Medical Information Co., Ltd.* ("**Biaodian Medical**"), the market share of "Healin" products in 2025 was 28.64% (2024: 26.96%), continuing to be ranked second in the domestic market share.

The Group's revenue from radio frequency ("**RF**") devices and laser equipment product line was mainly generated by its subsidiary, Juva Medical. Its Israel subsidiary, EndyMed Ltd. ("**EndyMed**"), which focuses on RF beauty equipment, and its subsidiary, Laserconn, which focuses on laser beauty equipment, with their presences covering domestic and overseas markets. Through continuous market education, "gold RF microneedling" has become the current mainstream wrinkle removal/anti-aging photoelectric treatment in domestic market. Through the combination of three technologies, namely mechanical stimulation of micro-needle, radiofrequency thermal effect and transdermal drug delivery, the treatment effectively promotes collagen denaturation, remodeling and coagulation, can be used to repair acne marks, oil control and acne removal, and shrink pore size, and can be used to combat aging, achieving facial contour rejuvenation and improving the overall state of the skin condition. The "EndyMed Pro" Gold RF Microneedling product of EndyMed has passed the regulatory approvals of various countries and regions, including U.S. FDA certification, EU CE certification, and is one of a few imported RF products which have gained Class III medical device registration certificates for medical devices in the PRC, making it scarce in domestic market. "EndyMed Pro" products have been sold to over 50 countries globally, with broad international recognition and great market demands. This product uses non-insulated phased microneedles to heat the entire needle body, ensuring a gentle insertion process with minimal damage to the epidermis. It offers technical advantages such as minimal bleeding, faster healing, and a shorter recovery period, making it the leading brand in this type of products. During the Reporting Period, revenue from the RF devices and laser equipment product line was RMB129.36 million, representing a decrease of RMB6.06 million, or 4.48%, as compared to the corresponding period of the previous year. Analyzed by sales region, the sales performance showed a trend of polarization. Impacted by weak demand in the European and American markets, sales revenue from overseas markets decreased by over 20%, while the Group's RF device product line and complementary treatment needle exhibited steady growth momentum in the domestic market, with sales revenue increasing by over 20% as compared to the corresponding period of the previous year.

Ophthalmology Products

Focusing on the leading technologies in the global ophthalmology field, the Group is committed to expediting the localization of China's ophthalmology industry through independent R&D and investment integration, with the goal of becoming an internationally renowned manufacturer of comprehensive ophthalmology products. During the Reporting Period, the Group's ophthalmology business covered the therapeutic fields including cataract treatment, myopia prevention and control, refractive correction, and ocular surface and fundus treatment, with a product portfolio spanning the entire product lifecycle.

The Group is the largest OVD product manufacturer in the PRC. According to the research reports of Biaodian Medical, the market share of the Group's OVD products was 51.13% in 2025, ranking first in China for the past 19 consecutive years. Meanwhile, the Group is a major supplier in the domestic IOL market. Its subsidiary, Contamac Holdings Limited ("**Contamac**"), is one of the world's largest independent manufacturers of ophthalmology and optometry materials, providing materials for IOL and orthokeratology lens to customers in more than 70 countries worldwide.

During the Reporting Period, the Group's revenue from the sales of ophthalmology products was RMB344.64 million, representing a decrease of RMB21.51 million, or 5.87%, as compared to the corresponding period of the previous year. The breakdown of revenue from ophthalmology products by specific product is as follows:

Unit: '000; Currency: RMB

Item	**January to June 2026** ***Amount (unaudited)***	**January to June 2026** ***Percentage (%)***	January to June 2025 *Amount (unaudited)*	January to June 2025 *Percentage (%)*	Change (%)
Cataract product line	**168,310**	**48.83**	164,549	44.94	2.29
IOL products	**127,946**	**37.12**	126,812	34.63	0.89
OVD products	**40,364**	**11.71**	37,737	10.31	6.96
Myopia prevention and control, and refractive correction product line	**164,135**	**47.62**	184,826	50.48	-11.19
Ophthalmology and optometry materials	**111,359**	**32.31**	106,613	29.12	4.45
Ophthalmology and optometry end products	**52,776**	**15.31**	78,213	21.36	-32.52
Other ophthalmology products	**12,194**	**3.55**	16,773	4.58	-27.30
Total	**344,639**	**100.00**	366,148	100.00	-5.87

IOL and OVD products are mainly used for cataract surgery. During the Reporting Period, the Group's revenue from the cataract product line amounted to RMB168.31 million in total, representing an increase of RMB3.76 million, or 2.29%, as compared to the corresponding period of the previous year. Specifically, revenue from IOL products was RMB127.95 million, representing an increase of RMB1.13 million, or 0.89%, as compared to the corresponding period of the previous year. Revenue from OVD products was RMB40.36 million, representing an increase of RMB2.63 million, or 6.96%, as compared to the corresponding period of the previous year.

During the Reporting Period, the IOL and OVD product lines were in the final phase of in the first centralized volume-based procurement of intraocular lens medical consumables organized by the state in 2023, with the second round of successive procurement about to commence and distribution channels entering a destocking phase. These factors, combined with the further implementation of DRG (Diagnosis-Related Groups) and DIP (Diagnosis-Intervention Packet), as well as changes in medical insurance policies of cataract surgery in some provinces, led to a decline in surgical demand in some regions during the Reporting Period. In response to these challenges, the Group actively optimized its sales structure by increasing the proportion of high-end products, driving overall revenue from the IOL product line to maintain a steady upward trend. In particular, the sales volume of mid-to-high-end bifocal products increased by 26.07% as compared to the corresponding period of the previous year, with their revenue share of the IOL product line rising from 26.29% in the corresponding period of the previous year to 34.83% in the Reporting Period.

During the Reporting Period, the Group's revenue from the myopia prevention and control, and refractive correction product line amounted to RMB164.14 million, representing a decrease of RMB20.69 million, or 11.19%, as compared to the corresponding period of the previous year. In particular, revenue from the ophthalmology and optometry materials business in the upstream part of the supply chain was RMB111.36 million during the Reporting Period, representing an increase of RMB4.75 million, or 4.45%, as compared to the corresponding period of the previous year. The Group's revenue from the ophthalmology and optometry end products amounted to RMB52.78 million, representing a decrease of RMB25.44 million, or 32.52%, as compared to the corresponding period of the previous year.

Ophthalmology and optometry end products cover orthokeratology lenses and eye drops used in conjunction, specialty frame glasses, "Yijing" PRL and other products. During the Reporting Period, sales revenue from orthokeratology lens products recorded a decrease of approximately RMB23.17 million as compared to the corresponding period of the previous year, primarily due to the Group's termination of the exclusive distribution agreement for Brighten Optix's orthokeratology lenses during the Reporting Period. In response to this transitional adjustment, the Group adhered to its self-developed strategy. Its self-developed "Optoshare (童享)" and "TongLiang (童靓)" brand orthokeratology lens products, relying on higher oxygen permeable materials and more advanced design concepts, demonstrated strong endogenous growth momentum. During the Reporting Period, sales revenue from these products increased by 41.40% as compared to the corresponding period of the previous year, effectively offsetting the adverse impact arising from the termination of the Brighten Optix orthokeratology lens distribution business.

Cataract is the biggest cause of blindness in the PRC. Currently, the only effective treatment for cataract is IOL implantation through surgery. In terms of industrial chain construction, the Group has initially completed the layout of the entire industrial chain of IOL products. We have opened up the upstream raw material production link of the IOL industrial chain through our subsidiary Contamac, mastered the R&D and production process of hydrophilic and hydrophobic IOL products through our subsidiaries Aaren, Henan Universe, and Henan Simedice and strengthened the downstream sales channels of IOL products through the professional ophthalmology high-value consumables marketing platform of our subsidiary NIMO at the same time.

In terms of the layout of product lines, leveraging on its domestic and foreign brands, the Group has covered a full range of products of spherical, aspheric, toric and multifocal IOL. In addition, the Group has created synergy among the ophthalmology R&D innovation platforms in the PRC, the USA and the U.K.. The Group adopts the one-time injection molding process that is different from the traditional turning and milling process, thus achieving a comprehensive layout of high-end IOL materials, complex optical features, and innovative processing technology. During the Reporting Period, the Group secured approvals for multiple high-end multifocal and multifocal toric products in quick succession, while the R&D and registration activities for EDOF IOL products also advanced steadily. Among them:

- the hydrophilic aspheric multifocal IOL obtained the registration certificate for Class III medical device products approved by the NMPA in April 2026;

- innovative hydrophobic molded aspheric trifocal IOL and trifocal toric IOL obtained the registration certificate for Class III medical device products in June and August 2026 respectively through the special review "green channel" of innovative medical devices; and

- both hydrophilic EDOF IOL and the hydrophobic molded EDOF IOL have completed the clinical trials smoothly and entered the registration application stage.

China is one of the countries with the largest number of blind and visually impaired patients in the world, with cataracts accounting for 32.5% and refractive errors accounting for 44.2% of visual impairment factors, while the prevalence of ophthalmic diseases in the highly myopic population is much higher than that in the normal-vision population. In 2019, the number of myopia patients worldwide was approximately 1.4 billion, among which, the number of myopia patients in China exceeded 600 million, and as a result the capacity of China's myopia prevention and control and refractive correction market is considerable while the penetration rate is low.

In the field of myopia prevention and control and refractive correction management, using the self-developed optical design system, based on the world's leading high oxygen permeability material of Contamac, the self-developed "Optoshare (童享)" and "TongLiang (童靓)" series of new orthokeratology lens products have an oxygen permeability coefficient of 125 DK. At the same time, the Group started clinical trials for another new type of ultra-high oxygen permeable orthokeratology lens product in 2024, which is made of high oxygen permeable material Contamac Infinite with a DK coefficient of up to 180, which will become one of the orthokeratology lens products with the highest oxygen permeability in the world.

In the terminal product line used in conjunction with orthokeratology lens and other products, the eye drops product line recorded a revenue of RMB11.26 million during the Reporting Period, representing an increase of 14.31% as compared to the corresponding period of the previous year. The Group's self-developed eye drops product "Eyesucom" is made of our exclusive patented ingredients including medical chitosan and sodium hyaluronate, and is packaged in an aseptic packaging method without preservatives. The product has the functions of natural antibacterial, moisturizing and lubricating, promoting the repair of corneal epithelial damage and reducing staining, etc. It can comprehensively protect the eye surface health of the wearers of orthokeratology lens. Moxifloxacin hydrochloride eye drops used in the treatment of bacterial conjunctivitis belongs to the fourth-generation fluoroquinolones and is one of the mainstream drugs used in the treatment of bacterial conjunctivitis. In addition, the sodium hyaluronate eye drops developed by the Group can be used for the treatment and relief of endogenous diseases such as dry eye syndrome, as well as conjunctival epithelial damage caused from operations, drugs-induced, trauma, wearing of contact lenses and other exogenous diseases.

In the field of refractive correction, our subsidiary Hangzhou Aijinglun is mainly engaged in the R&D, production and sales of crystalline refractive lenses products, and has independent intellectual property rights of its own developed "Yijing" PRL product, which has a refractive correction range of -10.00D~-30.00D and has been approved by the NMPA. Refractive lens surgery with crystalline lens can correct myopia without cutting normal corneal tissues and has the advantages of preserving the adjustment function of the human lens and surgical reversibility, so it is a safe and effective method to correct myopia. Currently, there are only three such products approved for sale in the Chinese market, and "Yijing" PRL is the only choice for patients with severe myopia above 1,800 degrees. In addition, the Group began the process of upgrading its PRL products after the acquisition of Hangzhou Aijinglun, with the second generation of the aqueous humor permeable PRL product, which, compared with the first generation, will enable aqueous humor circulation and provide a wider range of vision correction. The product entered the innovative approval channel after passing the special review of innovative medical devices publicly announced by the NMPA on 17 July 2025, and proceeded to the product registration application stage in August 2025.

Through the above product layout, the Group has been able to provide a variety of myopia solutions from prevention and control to correction for all age groups.

Orthopedics Products

In the field of orthopedics, the Group is the largest domestic manufacturer of orthopedic intra-articular viscoelastic supplements. According to the research reports of Biaodian Medical, the Group's market share reached 41.20% in 2025, ranking it as the largest manufacturer of orthopedic intra-articular viscoelastic supplements in the PRC for twelve consecutive years.

During the Reporting Period, the revenue of the Group from orthopedics products was RMB206.96 million in total, representing a decrease of RMB18.99 million or 8.41% as compared to the corresponding period of the previous year. The breakdown of the revenue from the orthopedics products by specific products is as follows:

Unit:'000; Currency: RMB

	January to June 2026		January to June 2025		
Item	***Amount (Unaudited)***	***Percentage (%)***	*Amount (Unaudited)*	*Percentage (%)*	Change (%)
Sodium hyaluronate injection	**144,131**	**69.64**	158,616	70.20	-9.13
Medical chitosan used for intra-articular viscosupplement	**62,825**	**30.36**	67,332	29.80	-6.69
Total	**206,956**	**100.00**	225,948	100.00	-8.41

Orthopedic intra-articular viscoelastic supplements are mainly used in degenerative osteoarthritis. Degenerative osteoarthritis is also a common disease in the middle-aged and elderly population. According to statistics, the incidence of osteoarthritis in men over the age of 65 is 58%, and that in women is 65% to 67%; the incidence of people over the age of 75 is as high as 80%. At present, there are more than 100 million osteoarthritis patients in China. The Group is the only manufacturer having sodium hyaluronate injection products with full series of specifications of 2ml, 2.5ml and 3ml in the PRC market. The Group's medical chitosan product (for intra-articular viscosupplement) is the only intra-articular viscoelastic supplement registered as a Class III medical device in the PRC. Such product combined with the sodium hyaluronate injection product has formed unique therapeutic effects and synergic advantages. With a good pricing system, the product portfolio continued to expand its market share.

During the Reporting Period, the provincial volume-based procurements for sodium hyaluronate injection products have all entered the implementation stage in Sichuan, Guizhou, Yunnan, Gansu, Hebei, Guangdong and other regions, resulting in a decrease in product sales prices. However, the Group managed to increase the sales volume of this product through various means of actively fulfilling the committed volumes under the procurement and expanding sales channels, etc. Meanwhile, the Group also actively expanded the external contract manufacturing business of sodium hyaluronate injection products, which effectively utilized the existing capacity and facilitated the steady development of this product line.

During the Reporting Period, the sales model of medical chitosan product (for intra-articular viscosupplement) switched more toward distribution and the proportion of direct sales somewhat decreased, and the average unit sales price also decreased accordingly. In the face of price pressure, the Group will continue to optimize its sales strategy to consolidate and expand market share.

Anti-adhesion and Hemostasis Products

According to the research reports of Biaodian Medical, the Group's market share of anti-adhesion materials reached 23.61% in 2025, making it the largest supplier of anti-adhesion materials in China.

During the Reporting Period, the Group's anti-adhesion and hemostasis products recorded revenue of RMB98.69 million in total, representing a decrease of RMB11.29 million, or 10.26%, as compared to the corresponding period of the previous year. The breakdown of the revenue from the anti-adhesion and hemostasis products by specific products is as follows:

Unit:'000; Currency: RMB

	January to June 2026		January to June 2025		
Item	***Amount (Unaudited)***	***Percentage (%)***	*Amount (Unaudited)*	*Percentage (%)*	Change (%)
Medical chitosan used for anti-adhesion	**26,322**	**26.67**	26,721	24.30	-1.49
Medical sodium hyaluronate gel	**19,560**	**19.82**	25,454	23.15	-23.16
Collagen sponge	**12,485**	**12.65**	13,955	12.68	-10.53
Porcine Fibrin Sealant Kit	**40,323**	**40.86**	43,846	39.87	-8.03
Total	**98,690**	**100.00**	109,976	100.00	-10.26

Revenue from the medical sodium hyaluronate gel product decreased by 23.16% as compared to the corresponding period of the previous year, which was mainly influenced by policy factors such as cost and volume control of high-value consumables, and centralized volume-based procurement in some provinces.

Collagen sponge product, a new hemostasis material, recorded a revenue of RMB12.49 million during the Reporting Period, representing a decrease of 10.53% as compared to the corresponding period of the previous year. The Group's collagen sponge product was successfully selected as the first rank in the centralized volume-based procurement under the "3+N" League of Hebei, together with Anhui, Guangxi, Yunnan and other regions. Such procurement has successively entered the implementation stage in various provinces since the end of March 2026. The sharp drop in the tender price has led to a decline in sales revenue. Meanwhile, as such procurement was in its initial phase of implementation, the driving effect on sales volume has not yet been fully realized.

During the Reporting Period, the Porcine Fibrin Sealant Kit product of "Kangrui Gel (康瑞膠)" researched and produced by the Group achieved revenue of RMB40.32 million, representing a decrease of RMB3.52 million, or 8.03% as compared to the corresponding period of the previous year. This product is a novel biomaterial made from pig blood protein, which has the functions of reducing bleeding, closing wounds, and promoting wound healing. It can be widely used in general surgery, gynecology, cardiovascular and cerebrovascular surgery, neurosurgery, thoracic surgery, hepatobiliary surgery, and other departments, and can be used as an adjunct to conventional surgical procedures for unsatisfactory bleeding control. In active response to the National Healthcare Security Administration's policy initiative to alleviate medical burdens on patients, the Group proactively reduced its product pricing during the Reporting Period, utilizing price concessions to expand market coverage and enhance drug accessibility. As a result, during the Reporting Period, sales revenue from the "Kangrui Gel" product declined, while its sales volume surged by 112% as compared to the corresponding period of the previous year. To date, the Group has quickly completed the market access of such product in 22 provinces such as Shanghai, Jiangsu, Guangdong and Henan, achieving significant breakthroughs in market presence.

Regeneration and Repair Products

Regenerative medicine is emerging as one of the sectors with the greatest growth potential in the global biopharmaceutical industry. Regeneration and repair materials demonstrate strong growth momentum in both domestic and international markets. As a major global consumer market, China still maintains a relatively low penetration rate across various sub-segments, leaving ample room for future growth.

In medical aesthetics, regenerative fillers are driving an industry-wide transformation. According to data released by institutions such as Zero Power Intelligence, from 2021 to 2025, the CAGR of China's regenerative aesthetic filler medical device market reached 54.73%. The current penetration rate in the regenerative filler segment is less than 15%, far below the penetration rate of over 40% in Europe and the United States, indicating enormous potential in the domestic market. China has become the fastest-growing region in the global aesthetic filler market.

In broader application areas of regenerative materials, including wound care, ophthalmology and orthopedics, the market size is equally substantial. According to data reported by Grand View Research, the global market size for acellular dermal matrix biomaterials reached USD4,448.5 million in 2025, and is expected to continue expanding at a CAGR of 18.9% from 2025 to 2033. Notably, a report published by Market.us indicates that North America led the global acellular dermal matrix market with a 43.1% market share. In particular, the Chinese market is still in its infancy, with an extremely low penetration rate and enormous room for growth. Furthermore, according to data reported by DelveInsight, the global amniotic membrane product market size reached USD1,096 million in 2024, and is expected to rise to USD1,922 million by 2032, maintaining a steady growth trend.

During the Reporting Period, the Group strategically entered into the regeneration and repair product segment. Through its subsidiary, Haohai Xinchen, the Group secured exclusive distribution rights in China for a series of products including biological amniotic membranes, acellular allogeneic dermis and allogeneic bone from Jiangxi Ruiji Bio-engineering Technology Co., Ltd. and its subsidiaries. These products feature excellent biocompatibility, effectively promote tissue repair and functional reconstruction, and meet the needs of multiple therapeutic fields including orthopedics, plastic surgery, wound care, ophthalmology and stomatology, thereby creating strong synergies with the Group's existing product lines in its four core therapeutic fields.

During the Reporting Period, the Group's revenue from the sales of regeneration and repair products was RMB61.09 million. The breakdown of revenue from such products by specific products is as follows:

Unit:'000; Currency: RMB

	January to June 2026		January to June 2025		
Item	***Amount (Unaudited)***	***Percentage (%)***	*Amount (Unaudited)*	*Percentage (%)*	Change (%)
Acellular allogeneic dermis product	**30,959**	**50.67**	–	–	N/A
Biological amniotic membranes	**25,220**	**41.28**	–	–	N/A
Allogeneic bone	**4,915**	**8.05**	–	–	N/A
Total	**61,094**	**100.00**	–	–	N/A

Development Strategy

The Group always aims to continuously improve the health quality of Chinese people and promote the rehabilitation of patients, focusing on differentiated development as its corporate strategy. The Group will continue to focus on four fast-growing therapeutic areas, including medical aesthetics and wound care, ophthalmology, orthopedics and surgery. The Group will pay attention to scientific research innovation and achievement transformation, and strengthen professional services; continue to maintain its leading position in technology through cooperation with domestic and foreign well-known R&D institutions, independent R&D and technology introduction; continuously optimize and improve management capabilities and improve operational efficiency; continuously expand and improve product lines and integrate the industrial chain through the combination of endogenous growth and mergers and acquisitions; strengthen the Company's brand building and enhance brand value, making the Group a leading domestic and internationally renowned biomedical company in the field of biomedical materials.

Business Plan

Facing an operating environment characterized by normalized centralized procurement, stratified consumption and intensified competition in the second half of 2026, the Group will continue to deepen internal resources coordination within the Group, and further strengthen the integration of merged and acquired enterprises in all aspects of R&D, production, sales and services. Aiming to maximize synergy, improve operational efficiency, develop innovative technologies, and expand market space, the Group will continue to enhance core competitiveness while striving to mitigate risks.

First, deepening innovation-driven R&D to build a moat with high-end products. The Group will focus on the core technological barriers in each business segment, and accelerate the registration, launch and clinical progress of major pipeline products. In ophthalmology, both the hydrophilic and hydrophobic EDOF IOL products of the Group are expected to receive approvals in the second half of 2026. Upon such approvals, the Group will become the only domestic IOL manufacturer that achieves full functional coverage from monofocal to EDOF, multifocal, preinstalled and toric IOLs. Meanwhile, the Group is expediting the registration application and clinical trials for the second-generation of the aqueous humor permeable PRL product and the new ultra-high oxygen permeable (DK180) orthokeratology lens product, consolidating its technical leadership position in refractive correction and myopia prevention and control. In medical aesthetics, the Group will proceed as planned for R&D projects on the second and third cross-linked HA Dermal Filler with lidocaine products, HA Dermal Filler products for the treatment of indications such as correcting temporal depression and intimate use, a variety of collagen products, HA hydro-dermabrasion injection and injectable calcium hydroxyapatite microsphere tissue fillers series, further perfecting and upgrading the product line matrix. In orthopedics, clinical trials for new products such as long-acting cross-linked sodium hyaluronate injection, homogeneous cross-linked chitosan intra-articular injection and intra-articular injection of stem cells will be accelerated to provide more targeted products for intra-articular treatment in China.

Second, strengthening marketing system synergy to enhance market penetration and brand potential. In medical aesthetics, the Group will deepen the differentiated positioning of the "Matrifill-Janlane-Hyalumatrix-Hyalumatrix-MoonWhite" series of four generation HA Dermal Filler products, focusing on building the brand image of "Hyalumatrix" high-end HA Dermal Filler products, strengthening the market education of the new indications of "Janlane Lips", assisting downstream institutions in developing unique injection solutions, and increasing the overall market share of the HA Dermal Filler product series. Meanwhile, leveraging the synergistic effects of the wholly-owned subsidiary EndyMed, the Group will prioritize promoting the "EndyMed Pro" Gold RF Microneedling. Through all-around empowerment via "training + marketing + new media", it will drive the combined sales of RF equipment and HA Dermal Filler products, achieving a synergistic effect of 1+1>2. In ophthalmology, the Group will fully promote the integration of the IOL marketing team. Under the new marketing landscape of the post centralized volume-based procurement era, it will fully leverage the advantages of a complete product line under multiple brands, distribution channels and cost efficiency, promptly adjusting supply chain and sales strategies. In the field of myopia prevention and control, in response to changes in the ophthalmology consumer market, the Group will deeply explore brand operations for the "Optoshare (童享)" and "TongLiang (童靚)" orthokeratology lenses products, increase market penetration and enhance market layout.

Third, flexibly responding to policy changes, seizing opportunities in centralized procurement and market access. The Group will closely monitor policy developments related to the second round of national centralized volume-based procurement policy for IOL and OVD, as well as policies regarding centralized volume-based procurement by provinces or provincial alliances for orthopedic sodium hyaluronate injection, surgical collagen sponges and other products. It will fully leverage the advantages of multiple brands and specifications, actively participate in bidding, trading price for volume to consolidate and expand market share. The Group will also fully utilize the policy benefit of "Kangrui Gel (康瑞膠)" being included in the Shanghai "New and Quality Medical Devices" catalog to accelerate nationwide market access, thereby increasing market share.

Fourth, proactively positioning in the regeneration and repair segment to cultivate new growth drivers. In the newly entered regeneration and repair segment, the Group will leverage its accumulated R&D and industrialization experience in biomedical materials to actively promote market access and clinical application expansion of regenerative material products. In medical aesthetics, the Group will explore the therapy solutions of combining regenerative material products with existing medical aesthetic product lines such as HA dermal fillers and RF devices. In ophthalmology and orthopedics, the Group will utilize its established channel advantages and clinical resources to accelerate the market penetration of biological amniotic membranes, acellular allogeneic dermis, allogeneic bone products and other related product series.

The Group will manage the complex external environment with pragmatic operational measures, and adhere to the strategic main line of "R&D-driven, Marketing-empowered, Integration for Efficiency enhancement", laying a solid foundation for achieving high-quality development in the long term.

FINANCIAL REVIEW

Revenue, Cost and Gross Profit Margin

During the Reporting Period, the Group recorded an aggregate revenue of approximately RMB1,165.84 million (corresponding period of 2025: approximately RMB1,292.64 million), a decrease of approximately RMB126.80 million or approximately 9.81% compared to the corresponding period of 2025. During the Reporting Period, influenced by factors such as insufficient domestic consumer demand for medical aesthetics and increasingly fierce price competition of products, the revenue of the Group's medical aesthetics and wound care product lines decreased by approximately RMB137.28 million or approximately 23.95% compared to the corresponding period of 2025. In addition, the Group's exclusive distribution business of Brighten Optix's orthokeratology lenses in China was formally terminated in March 2026. Consequently, the Group's revenue from Brighten Optix's orthokeratology lens products during the Reporting Period decreased by approximately RMB23.16 million compared to the corresponding period of 2025. During the Reporting Period, the Group strategically entered the field of regeneration and repair products. The exclusively distributed series of products, including biological amniotic membranes, acellular allogeneic dermis and allogeneic bone, recorded an aggregate revenue of approximately RMB61.09 million, which partially offset the impact of the aforementioned decline in revenue from medical aesthetics and Brighten Optix's orthokeratology lens products.

During the Reporting Period, the Group's overall gross profit margin was 65.15%, fell by 4.96 percentage points compared to 70.11% for the corresponding period of 2025, primarily due to the decrease in revenue from the medical aesthetics HA Dermal Filler product line, which carries a higher gross profit margin, and the decrease in its proportion of the Group's total revenue.

Other Income and Gains

During the Reporting Period, the Group's other income and gains were approximately RMB66.97 million, representing an increase of approximately RMB13.26 million or 24.68% compared to the corresponding period of 2025, primarily attributable to an increase of approximately RMB26.79 million in the amount of government grants received by the Group during the Reporting Period compared to the corresponding period of 2025. However, due to the ongoing decline in deposit rates, bank interest income recognized by the Group during the Reporting Period decreased by approximately RMB9.27 million compared to the corresponding period of 2025. In addition, as a result of exchange rate fluctuations, the Group recorded an exchange loss of approximately RMB4.99 million during the Reporting Period, which was included in other expenses, whereas an exchange gain of approximately RMB4.66 million was recognized in other income and gains for the corresponding period of 2025. The above factors partially offset the impact of the increase in government grants.

Other Expenses

During the Reporting Period, the Group's other expenses amounted to approximately RMB28.35 million, representing an increase of approximately RMB8.89 million or 45.68% compared to the corresponding period of 2025, which was mainly because the Group made impairment provisions of approximately RMB5.56 million for the intangible asset of the brand name of Aaren (a subsidiary in the United States) during the Reporting Period, coupled with the exchange loss of approximately RMB4.99 million recorded by the Group.

Income Tax Expense

During the Reporting Period, the Group's income tax expense was approximately RMB22.06 million (corresponding period of 2025: approximately RMB33.97 million), a decrease of approximately RMB11.91 million or approximately 35.06% compared to the corresponding period of 2025, primarily due to the decrease in the Group's overall pre-tax profit during the Reporting Period compared to the corresponding period of 2025.

Performance for the Reporting Period

During the Reporting Period, the profit attributable to ordinary equity holders of the Company was approximately RMB112.63 million (corresponding period of 2025: RMB211.07 million), a decrease of approximately RMB98.44 million or approximately 46.64% compared to the corresponding period of 2025, primarily due to a decrease in revenue, coupled with the additional depreciation and amortization expenses of exceeding RMB21.00 million in connection with the commencement of operations of the medical device workshop and comprehensive supporting facilities under the International Medical R&D and Industrialization Project by Shanghai Haohai Biological Technology in February 2026.

Basic earnings per Share for the Reporting Period were RMB0.49 (corresponding period of 2025: RMB0.91).

Liquidity and Capital Resources

As at 30 June 2026, the total current assets of the Group were approximately RMB3,344.55 million, representing a decrease of approximately RMB118.26 million or approximately 3.42% as compared to that of 31 December 2025. In particular, cash and bank balances at the end of the Reporting Period decreased by approximately RMB126.26 million as compared to that of 31 December 2025, which was mainly due to the continuous capital expenditure investment of approximately RMB114.44 million by the Group in the International Medical R&D and Industrialization Project by Shanghai Haohai Biological Technology (i.e. the fund raising project for the Company's initial public offering of A shares for listing on the Sci-Tech Innovation Board) during the Reporting Period, as well as funds used for continuous H Share repurchases of approximately RMB22.54 million.

As at 30 June 2026, the total current liabilities of the Group amounted to approximately RMB957.91 million, an increase of approximately RMB43.24 million or approximately 4.73% compared to that of 31 December 2025. The main reasons include: based on operational needs, the Group obtained temporary bank borrowings during the Reporting Period and, following reclassification of certain long-term bank borrowings due within one year based on maturity profile, the balance of bank and other borrowings classified as current liabilities at the end of the Reporting Period increased by approximately RMB90.70 million compared with the end of 2025. However, due to settlement time differences and other reasons, the balance of trade payables at the end of the Reporting Period decreased by approximately RMB23.06 million compared with the end of 2025, and the balance of other payables and accruals decreased by approximately RMB19.07 million compared with the end of 2025 due to the decrease in accrued bonuses payable and advances from customers at the end of the Reporting Period, which partially offset the impact of the increase in bank borrowings.

As at 30 June 2026, the Group's current assets to liabilities ratio was approximately 3.49 (31 December 2025: 3.79), representing a slight decrease as compared with that of the year end of 2025, but it was still at a relatively high and stable level.

Employees and Remuneration Policy

The Group had 1,999 employees as at 30 June 2026. The breakdown of the total number of employees by function was as follows:

Production	778
R&D	399
Sales and Marketing	559
Finance	63
Administration	200
Total	1,999

During the Reporting Period, the remuneration policy for the Group's employees had no material change, and the employees' remuneration was determined by taking into account factors such as their working experience, performance, the operation situation of the Company and external market competition. During the Reporting Period, the total employee remuneration of the Group was approximately RMB325.24 million, a slight decrease from approximately RMB344.08 million in the corresponding period of 2025.

During the Reporting Period, there was no material change in the Group's training programs, and the Group continued to provide various targeted training to its employees. The Group closely relies on strategic development needs to clarify talent screening standards and talent training directions. Through measures such as continuously improving the training management mechanism and actively building a learning and exchange platform, we will discover the potential of employees, cultivate compound talents, and build a talent pipeline for the sustainable development of the Company.

Treasury Policies

In order to strengthen the monitoring of bank deposits and to ensure that the Group's funds are used effectively, the Group adopts centralized financing and treasury policies. Surplus cash of the Group is generally placed in short-term deposits denominated in RMB, US Dollars and Hong Kong Dollars. It is the Group's policy to enter into principal guaranteed and conservative deposits transactions only and the Group is restricted from investing in high-risk financial products.

Asset Pledge

As at 30 June 2026, the Group had bank deposits of approximately RMB0.71 million (31 December 2025: approximately RMB0.80 million) as guarantee deposits for the issuance of performance guarantee.

Gearing Ratio

As at 30 June 2026, the total liabilities of the Group amounted to approximately RMB1,100.81 million and the gearing ratio (the percentage of total liabilities to total assets) was 16.78%, remaining substantially stable compared with 16.60% as at 31 December 2025.

Cash and Cash Equivalents

As at 30 June 2026, the Group's cash and cash equivalents were approximately RMB721.63 million, down by approximately RMB506.77 million from approximately RMB1,228.40 million on 31 December 2025, which was mainly due to the net cash outflow from investing activities of approximately RMB498.94 million. During the Reporting Period, capital expenditure related to fixed assets and construction in progress paid by the Group amounted to approximately RMB136.67 million, and the Group acquired certificates of deposit with a term of more than three months of approximately RMB380.40 million to meet its cash management needs.

Bank Borrowings

As at 30 June 2026, the Group had total interest-bearing bank borrowings of approximately RMB408.23 million (31 December 2025: approximately RMB346.57 million), all of which are due within one year (31 December 2025: approximately RMB313.47 million due within one year, with the remaining approximately RMB33.10 million due within two to five years).

Risk of Exchange Rate Fluctuations

The sales, costs and expenses of the Group were principally and mostly denominated in RMB. Despite the fact that the Group might be exposed to foreign exchange risk, the Board expects that exchange rate fluctuation of the foreign currencies held by the Group will not have any material impact on the Group in the future. During the Reporting Period and as at 30 June 2026, the Group did not enter into any hedging transactions.

Contingent Liabilities

As at 30 June 2026, the Group had no material contingent liabilities.

Significant Subsequent Events

There was no material subsequent event undertaken by the Group after 30 June 2026.

Future Plans for Material Investments and Capital Assets

As at 30 June 2026, the Group has no material investment plans or capital asset plans.

Significant Investments, Material Acquisitions or Disposals of Subsidiaries, Associates and Joint Ventures

Save as disclosed in this announcement, during the Reporting Period, the Group did not have any significant investments, material acquisitions or disposals related to subsidiaries, associates and joint ventures.

Purchase, Sale or Redemption of Listed Securities

Details of the H Shares repurchased by the Company on the Hong Kong Stock Exchange during the six-month period ended 30 June 2026 are as follows:

Months of repurchase	Number of Shares repurchased	Highest price paid per Share *(HK$)*	Lowest price paid per Share *(HK$)*	Aggregate Consideration [(1)] *(HK$)*
March	121,800	23.06	22.28	2,737,840.00
April	570,200	22.58	21.40	12,506,266.00
May	456,700	23.20	21.60	10,227,582.00
Total	1,148,700			25,471,688.00

Note (1): The aggregate consideration excludes transaction fee.

Save as disclosed in this announcement, neither the Company nor its subsidiaries have purchased, sold or redeemed any of the Company's listed securities nor disposed of any of the Company's treasury shares in the market during the Reporting Period. As at the end of the Reporting Period, the Company did not hold any H Shares as treasury shares under the Hong Kong Listing Rules.

Interim Dividend

The Board approved the payment of an interim dividend of RMB0.25 (inclusive of tax) per share for the six months ended 30 June 2026. As at the date of this announcement, the total number of issued shares of the Company is 228,832,195, and will distribute an interim dividend of RMB56,187,525.00 (inclusive of tax) in total after deducting the 3,848,095 A Shares held by the Company as treasury shares and 234,000 H Shares which have been repurchased but not cancelled. Prior to the record date, if there is any change in the total share capital of the Company, the Company will maintain the dividend per share unchanged and adjust the total amount of interim dividend accordingly.

Details of the interim dividend and the specific arrangements for its distribution and the relevant timing for the closure of the register of members for the H Shares will be separately announced by the Company on the date of this announcement.

Corporate Governance Code

The Company has complied with all applicable code provisions in Part 2 under the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 of the Hong Kong Listing Rules throughout the Reporting Period, except for a deviation from the Code Provision C.2.1 in respect of the roles of chairman and chief executive which shall not be performed by the same individual.

Following the resignation of Dr. Hou Yongtai from his positions as executive Director and chairman of the Board, Mr. Wu Jianying was elected as chairman of the Board on 29 May 2026. He currently holds both the positions of chairman and chief executive of the Company, which constitutes a deviation from code provision C.2.1. The Board believes that having the same individual serve as both chairman and chief executive will facilitate the implementation of the Group's business strategies and enhance its operational efficiency. In addition, the Articles of Association and relevant internal policies of the Company have clearly defined the respective duties of the chairman and the chief executive, and the Board remains appropriately structured with the balance of power to provide sufficient checks for protecting the interests of the Company and its shareholders. Accordingly, the Board is of the view that such deviation from code provision C.2.1 is appropriate under the circumstances.

The Company will continue to review and enhance its corporate governance practices to ensure compliance with the code provisions as set out in the CG Code.

Compliance with the Model Code

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 of the Hong Kong Listing Rules as the code of conduct regarding securities transactions by the Directors. Following specific enquiries by the Company, all Directors confirmed that they had complied with the required standard set out in the Model Code during the Reporting Period.

Audit Committee

The Company has established an audit committee (the "**Audit Committee**") with written terms of reference. As at the date of this announcement, the Audit Committee comprises five directors, namely Mr. Shen Hongbo (Chairman), Mr. Chan Siu Yu, Mr. Song Yuanyang, Ms. Xu Duoqi and Ms. You Jie. The primary duties of the Audit Committee are to review the financial information of the Company and the disclosure thereof, supervise and evaluate internal and external audits and internal control, and exercise the powers and functions of the supervisory committee as stipulated in the Company Law of the PRC.

The Audit Committee held a meeting on 21 August 2026 to review the unaudited consolidated financial statements and interim results of the Group for the six months ended 30 June 2026.

Publication of Interim Results and Interim Report

This announcement will be published on the HKExnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company's website (www.3healthcare.com).

The 2026 interim report of the Company that contains full information specified in the Hong Kong Listing Rules will be dispatched to the shareholders of the Company as per the Company's corporate communications arrangement and will be published on the HKExnews website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.3healthcare.com) in due course.

By order of the Board
Shanghai Haohai Biological Technology Co., Ltd.*
Wu Jianying
Chairman

Shanghai, the PRC, 21 August 2026

As at the date of this announcement, the executive directors of the Company are Mr. Wu Jianying, Ms. Chen Yiyi, Mr. Tang Minjie and Ms. Tian Min; the non-executive directors of the Company are Ms. You Jie, Mr. Huang Ming and Mr. Wei Changzheng; and the independent non-executive directors of the Company are Mr. Chan Siu Yu, Mr. Shen Hongbo, Mr. Song Yuanyang and Ms. Xu Duoqi.

* *For identification purpose only*